

Annual Report

NUDULAMA MINES LIMITED



For the Year Ended December 31st, 1969

DIRECTORS

M. J. BOYLEN	-	-	-	-	-	-	-	TORONTO, ONTARIO
D. W. GORDON	-	-	-	-	-	-	-	TORONTO, ONTARIO
GORDON L. MOORE	-	-	-	-	-	-	-	ISLINGTON, ONTARIO
CHARLES B. BRANNIGAN	-	-	-	-	-	-	-	TORONTO, ONTARIO
GORDON F. PUSHIE	-	-	-	-	-	-	-	ST. JOHN'S, NEWFOUNDLAND

OFFICERS

M. J. BOYLEN	-	-	-	-	-	-	-	-	-	<i>President</i>
D. W. GORDON	-	-	-	-	-	-	-	-	-	<i>Vice-President</i>
GORDON L. MOORE	-	-	-	-	-	-	-	-	-	<i>Secretary-Treasurer</i>
CHARLES B. BRANNIGAN	-	-	-	-	-	-	-	-	-	<i>Assistant-Treasurer</i>

TRANSFER AGENT
AND REGISTRAR

GUARANTY TRUST COMPANY OF CANADA,
Toronto, Ontario

AUDITORS

SNYDER, CRAIG & CO.,
Toronto, Ontario

HEAD OFFICE

Suite 908, 330 Bay Street,
Toronto, Ontario

NUDULAMA MINES LIMITED

DIRECTORS' REPORT

To the Shareholders:

The financial statements of the Company for the fiscal year ended December 31, 1969, notes relevant thereto and the Report of the Auditors, are submitted herewith.

PROVINCE OF ONTARIO

SUDBURY MINING DIVISION

Your Company has maintained its Leeson Township property in good standing without performing recent exploration work. Consisting of 15 patented mining claims, totalling 896.88 acres, it adjoins another gold property, that of Renabie Gold Mines Limited.

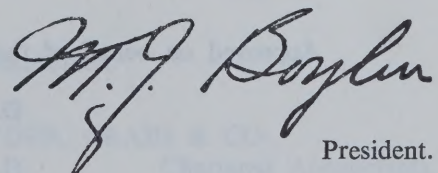
Previous work on Nudulama's property consisted of sinking a three-compartment shaft to 1,065 feet and establishing levels at 150 foot intervals. Development work to the 750 foot level has proven up 579,325 tons grading 0.194 ounces in gold per ton. Should there be a reasonable increase in the price of gold the Directors will consider the advisability of bringing this property into production.

RED LAKE MINING DIVISION

In 1969 your Company acquired, for staking costs, a group of 24 claims in the Confederation Lake-Uchi Lake area of northwestern Ontario where an impressive base metal deposit had just been discovered by Selco Exploration Company Limited.

Subsequently, your Company's property was surveyed by airborne magnetic and electromagnetic equipment, and the surface was prospected and geochemically surveyed by a field crew which reported that the mineralization of a contact zone consists chiefly of pyrite.

On behalf of the Board of Directors,



President.

NUDULAMA

(Incorporated under

Balance Sheet—

ASSETS

	1969	1968
Current		
Cash	\$ 10	\$ 34
Accounts receivable	—	6,394
	<u>10</u>	<u>6,428</u>
Investments		
Shares of other mining companies having a quoted market value, at cost (See Note) (Quoted market value \$59,508 — 1968 \$84,292)	150,958	218,976
Shares of other mining companies, at nominal value (See Note)	2	1
	<u>150,960</u>	<u>218,977</u>
Fixed		
In the Province of Ontario:		
15 Patented mining claims in Leeson Township, Missanabi Area, Sudbury Mining Division, at cost	184,422	184,422
Buildings and equipment, at nominal value	1	1
24 Mining claims in Agnew Township, Red Lake Mining Division, at cost	1,606	—
In the Province of Quebec:		
15 Mining claims in Projected Township 1075, Electoral District of Duplessis, at cost	—	496
	<u>186,029</u>	<u>184,919</u>
Deferred Expenditure		
Exploration expenses	2,841	3,220
	<u>\$ 339,840</u>	<u>\$ 413,544</u>

Approved on behalf of the Board:

D. W. GORDON, Director.

G. L. MOORE, Director.

SNYDER & CO. LIMITED

Laws of Ontario)

December 31, 1969

LIABILITIES

	1969	1968
Current		
Accounts payable and accrued liabilities	\$ 3,166	\$ 971

SHAREHOLDERS' EQUITY

Capital Stock

Authorized:

4,000,000 Shares of no par value

Issued:

3,100,000 Shares	2,397,756	2,397,756
------------------------	-----------	-----------

Deficit

Balance, beginning of year	1,985,183	1,903,851
Add: Administrative expenses for the year	6,632	6,770
Loss on sale or write-down of investments	68,017	74,562
Mining claims abandoned	496	—
Exploration expenses on abandoned claims	3,220	—
Net proceeds from sale of stock subscription rights	(2,466)	—
Balance, end of year	2,061,082	1,985,183
Net Shareholders' Equity	336,674	412,573
	<u>\$ 339,840</u>	<u>\$ 413,544</u>

(See accompanying notes)

Submitted with our Report to the Shareholders
dated March 10, 1970.

SNYDER, CRAIG & CO.,
Chartered Accountants.

SNYDER, CRAIG & CO.

CHARTERED ACCOUNTANTS

CABLE ADDRESS "JNOCRAIG"
TELEPHONE EMPIRE 6-9444

330 BAY STREET

TORONTO
CANADA

To the Shareholders of
NUDULAMA MINES LIMITED,
Toronto, Ontario.

We have examined the Balance Sheet of Nudulama Mines Limited as at December 31, 1969, the Statements of Exploration and Administrative Expenses and Source and Application of Funds for the year ended on that date and the Notes to the Financial Statements. Our examination included a general review of accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

No provision has been made for the excess of cost over market values of the investments in shares of other mining companies.

Subject to the above limitation, in our opinion, the attached financial statements present fairly the financial position of the company as at December 31, 1969 and the results of its operations and the source and application of its funds for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Snyder, Craig Co.

Chartered Accountants.

March 10, 1970.

NUDULAMA MINES LIMITED

Statement of Exploration and Administrative Expenses

For the year ended December 31, 1969

	Red Lake Area Claims 1969	Johan Beetz Area Claims 1968
Exploration Expenses		
Assays	\$ 10	\$ —
Aero-magnetometer and spectrometer surveys	635	448
Maps and blueprints	38	—
Mining licenses	—	210
Surface exploration and camp expenses	2,158	139
	<u>2,841</u>	<u>797</u>
Forward from previous year	3,220	2,423
	<u>6,061</u>	<u>3,220</u>
Expenditure on claims abandoned	3,220	—
	<u>3,220</u>	<u>—</u>
Balance, end of year	<u>\$ 2,841</u>	<u>\$ 3,220</u>
Administrative Expenses		
Advertising	\$ —	\$ 101
Corporation taxes	105	160
Filing fees	10	10
General expense	86	5
Head office administration	3,000	3,000
Interest	—	33
Legal and audit	250	475
Listing and sustaining fees	100	—
Office stationery and printing	22	297
Postage, telephone and telegraph	6	86
Property taxes	640	292
Reports to shareholders	1,412	1,238
Transfer agent and registrar fees	1,001	944
Travelling	—	129
Total Administrative Expenses	<u>\$ 6,632</u>	<u>\$ 6,770</u>

NUDULAMA MINES LIMITED

Statement of Source and Application of Funds

For the year ended December 31, 1969

	1969	1968
Source of Funds		
Sale of investments	\$ —	\$ 59,332
Net proceeds from sale of stock subscription rights	2,466	—
	<u>2,466</u>	<u>59,332</u>
Application of Funds		
Acquisition of mining claims	1,606	—
Exploration expenses	2,841	797
Administrative expenses	6,632	6,770
	<u>11,079</u>	<u>7,567</u>
Increase (decrease) in working capital	<u>\$ (8,613)</u>	<u>\$ 51,765</u>
Working Capital		
Balance, beginning of year (deficiency)	\$ 5,457	\$(46,308)
Increase (decrease)	(8,613)	51,765
	<u>\$ (3,156)</u>	<u>\$ 5,457</u>

Notes to Financial Statements

December 31, 1969

	No. of Shares	Market Value 1969	Book Value	
			1969	1968
Investments — at cost				
Beauce Placer Mining Co. Ltd.	87,000	\$ 4,350	\$ 8,700	\$ 8,700
The Coniagas Mines, Limited	10,000	4,000	29,020	29,020
Consolidated Harpers Malartic Gold Mines Limited	—	—	—	68,018
Key Anacon Mines Limited	87,926	50,997	110,838	110,838
Satellite Metal Mines Limited	750	161	2,400	2,400
		<u>\$ 59,508</u>	<u>\$ 150,958</u>	<u>\$ 218,976</u>
Investments — at nominal value				
Beauce Placer Mining Co. Ltd. (shares in escrow)	87,000	—	\$ 1	\$ 1
Consolidated Harpers Malartic Gold Mines Limited	460,610	—	1	—
			<u>\$ 2</u>	<u>\$ 1</u>

The quoted market values in the aggregate given for the shares of Beauce Placer Mining Co. Ltd. and Key Anacon Mines Limited, because of the large blocks involved, are not necessarily indicative of the amounts that might be realized if these investments were sold.

The shares of Consolidated Harpers Malartic Gold Mines Limited had no market bid price at the end of 1969 and have therefore been written-down in the aggregate to a nominal value of \$1.